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RWH 3/6/08

P.L. 2006, CHAPTER 52, *approved July 20, 2006*
Senate, No. 1663 (*First Reprint*)

1 AN ACT concerning the leasing of farmland owned by a county or
2 municipality and amending and supplementing P.L.1971, c.199.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 14 of P.L.1971, c.199 (C.40A:12-14) is amended to
8 read as follows:

9 14. Any county or municipality may lease any real property,
10 capital improvement or personal property not needed for public use
11 as set forth in the resolution or ordinance authorizing the lease,
12 other than county or municipal real property otherwise dedicated or
13 restricted pursuant to law, and except as otherwise provided by law,
14 all such leases shall be made in the manner provided by this section.

15 (a) In the case of a lease to a private person, except for a lease to
16 a private person for a public purpose as provided in subsection (j) of
17 section 15 of P.L.1971, c.199 (C.40A:12-15) or for agricultural or
18 horticultural use as provided in section 2 of P.L. , c. (C.)
19 (pending before the Legislature as this bill) , said lease shall be
20 made to the highest bidder by open public bidding at auction or by
21 submission of sealed bids. Advertisement of the method of bidding
22 shall be published in a newspaper circulating in the municipality or
23 municipalities in which the leasehold is situated by two insertions at
24 least once a week during two consecutive weeks; the lease
25 publication to be not earlier than seven days prior to the letting of
26 the lease. The governing body may, by resolution, fix a minimum
27 rental with the reservation of the right to reject all bids where the
28 highest bid is not accepted. Notice of such reservation shall be
29 included in the advertisement of the letting of the lease and public
30 notice thereof shall be given of the time of the letting of the lease.
31 Such resolution may provide that upon the completion of the
32 bidding, the highest bid may be accepted or all of the bids may be
33 rejected. It shall also set out the conditions, restrictions and
34 limitations upon the tenancy subject to the lease. Acceptance or
35 rejection of the bid or bids shall be made not later than at the
36 second regular meeting of the governing body following the
37 completion of the bidding, and, if the governing body shall not so
38 accept such highest bid, or reject all bids, said bids shall be deemed
39 to have been rejected. Any such award may be adjourned at the
40 time advertised for not more than one week without readvertising.

41 (b) In the case of a lease to a public body, the lease may be upon
42 such terms and conditions and for nominal or other consideration as

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SEG committee amendments adopted May 8, 2006.

1 the governing body of the county or municipality shall approve by
2 ordinance or resolution.

3 (c) In the case of a lease to a nonprofit corporation or association
4 for a public purpose, the lease shall be authorized by resolution, in
5 the case of a county, or by ordinance, in the case of a municipality,
6 and may be for nominal or other consideration. Said authorization
7 shall include the nominal or other consideration for the lease; the
8 name of the corporation or corporations who shall be the lessees;
9 the public purpose served by the lessee; the number of persons
10 benefiting from the public purpose served by the lessee, whether
11 within or without the municipality in which the leasehold is located;
12 the term of the lease, and the officer, employee or agency
13 responsible for enforcement of the conditions of the lease. Said
14 ordinance or resolution shall also require any nonprofit corporation
15 holding a lease for a public purpose pursuant to this section, to
16 annually submit a report to the officer, employee or agency
17 designated by the governing body, setting out the use to which the
18 leasehold was put during each year, the activities of the lessee
19 undertaken in furtherance of the public purpose for which the
20 leasehold was granted; the approximate value or cost, if any, of
21 such activities in furtherance of such purpose; and an affirmation of
22 the continued tax-exempt status of the nonprofit corporation
23 pursuant to both State and federal law.

24 (d) In the case of a lease to a housing corporation or resident
25 first-time homebuyer for the public purposes, and pursuant to the
26 provisions of P.L.1983, c.335 (C.55:18A-1 et seq.), the lease shall
27 be authorized by ordinance by a municipality.

28 (cf: P.L.1984, c.27, s.1)

29

30 2. (New section) Whenever a county or municipality acquires
31 real property that, immediately prior to acquisition, was leased from
32 the prior owner by a private person for agricultural or horticultural
33 use, and the county or municipality determines that, until such time
34 as '[it will use]' the real property 'is needed' for '[a]' public
35 'purpose use', the temporary continuance of the private
36 agricultural or horticultural use would not compromise that public
37 'purpose use' , it may lease the real property to the prior lessee
38 for agricultural or horticultural use for such period, consideration,
39 and other terms and conditions as shall be mutually agreed upon.

40

41 3. This act shall take effect immediately.

42

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44

45

46 Authorizes lease of farmed land acquired by a county or
47 municipality to farmer who was prior lessee of that land.

SENATE, No. 1663

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED MARCH 20, 2006

Sponsored by:

Senator LEONARD LANCE

District 23 (Warren and Hunterdon)

Senator JOSEPH M. KYRILLOS, JR.

District 13 (Middlesex and Monmouth)

SYNOPSIS

Authorizes lease of farmed land acquired by a county or municipality to farmer who was prior lessee of that land.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/9/2006)

1 AN ACT concerning the leasing of farmland owned by a county or
2 municipality and amending and supplementing P.L.1971, c.199.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. Section 14 of P.L.1971, c.199 (C.40A:12-14) is amended to
8 read as follows:

9 14. Any county or municipality may lease any real property,
10 capital improvement or personal property not needed for public use
11 as set forth in the resolution or ordinance authorizing the lease,
12 other than county or municipal real property otherwise dedicated or
13 restricted pursuant to law, and except as otherwise provided by law,
14 all such leases shall be made in the manner provided by this section.

15 (a) In the case of a lease to a private person, except for a lease to
16 a private person for a public purpose as provided in subsection (j) of
17 section 15 of P.L.1971, c.199 (C.40A:12-15) or for agricultural or
18 horticultural use as provided in section 2 of P.L. , c. (C.)
19 (pending before the Legislature as this bill) , said lease shall be
20 made to the highest bidder by open public bidding at auction or by
21 submission of sealed bids. Advertisement of the method of bidding
22 shall be published in a newspaper circulating in the municipality or
23 municipalities in which the leasehold is situated by two insertions at
24 least once a week during two consecutive weeks; the lease
25 publication to be not earlier than seven days prior to the letting of
26 the lease. The governing body may, by resolution, fix a minimum
27 rental with the reservation of the right to reject all bids where the
28 highest bid is not accepted. Notice of such reservation shall be
29 included in the advertisement of the letting of the lease and public
30 notice thereof shall be given of the time of the letting of the lease.
31 Such resolution may provide that upon the completion of the
32 bidding, the highest bid may be accepted or all of the bids may be
33 rejected. It shall also set out the conditions, restrictions and
34 limitations upon the tenancy subject to the lease. Acceptance or
35 rejection of the bid or bids shall be made not later than at the
36 second regular meeting of the governing body following the
37 completion of the bidding, and, if the governing body shall not so
38 accept such highest bid, or reject all bids, said bids shall be deemed
39 to have been rejected. Any such award may be adjourned at the
40 time advertised for not more than one week without readvertising.

41 (b) In the case of a lease to a public body, the lease may be upon
42 such terms and conditions and for nominal or other consideration as
43 the governing body of the county or municipality shall approve by
44 ordinance or resolution.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 (c) In the case of a lease to a nonprofit corporation or association
2 for a public purpose, the lease shall be authorized by resolution, in
3 the case of a county, or by ordinance, in the case of a municipality,
4 and may be for nominal or other consideration. Said authorization
5 shall include the nominal or other consideration for the lease; the
6 name of the corporation or corporations who shall be the lessees;
7 the public purpose served by the lessee; the number of persons
8 benefiting from the public purpose served by the lessee, whether
9 within or without the municipality in which the leasehold is located;
10 the term of the lease, and the officer, employee or agency
11 responsible for enforcement of the conditions of the lease. Said
12 ordinance or resolution shall also require any nonprofit corporation
13 holding a lease for a public purpose pursuant to this section, to
14 annually submit a report to the officer, employee or agency
15 designated by the governing body, setting out the use to which the
16 leasehold was put during each year, the activities of the lessee
17 undertaken in furtherance of the public purpose for which the
18 leasehold was granted; the approximate value or cost, if any, of
19 such activities in furtherance of such purpose; and an affirmation of
20 the continued tax-exempt status of the nonprofit corporation
21 pursuant to both State and federal law.

22 (d) In the case of a lease to a housing corporation or resident
23 first-time homebuyer for the public purposes, and pursuant to the
24 provisions of P.L.1983, c.335 (C.55:18A-1 et seq.), the lease shall
25 be authorized by ordinance by a municipality.
26 (cf: P.L.1984, c.27, s.1)

27
28 2. (New section) Whenever a county or municipality acquires
29 real property that, immediately prior to acquisition, was leased from
30 the prior owner by a private person for agricultural or horticultural
31 use, and the county or municipality determines that, until such time
32 as the real property is needed for public use, the temporary
33 continuance of the private agricultural or horticultural use would
34 not compromise that public use, it may lease the real property to the
35 prior lessee for agricultural or horticultural use for such period,
36 consideration, and other terms and conditions as shall be mutually
37 agreed upon.

38
39 3. This act shall take effect immediately.

40

41

42

STATEMENT

43

44 This bill would authorize an exception to the public bidding
45 requirements regarding leases as prescribed under the "Local Lands
46 and Buildings Law" by providing that whenever a county or
47 municipality acquires land that, immediately prior to acquisition,
48 was leased from the prior owner by a private person for farming,

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1 and the county or municipality determines that, until such time as
2 the land is used for a public purpose, the temporary continuance of
3 the private farming use would not compromise that public purpose,
4 the county or municipality may lease the land to the prior lessee for
5 farming purposes for such period, consideration, and other terms
6 and conditions mutually agreed upon, without the need for putting
7 the lease out for public bid or auction.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 1663

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 8, 2006

The Senate Economic Growth Committee reports favorably Senate Bill, No. 1663 with committee amendments.

This bill, as amended by the committee, would authorize an exception to the public bidding requirements regarding leases as prescribed under the "Local Lands and Buildings Law." The bill would provide that whenever a county or municipality acquires land that, immediately prior to acquisition, was leased from the prior owner by a private person for farming, and the county or municipality determines that, until such time as the land is needed for public use, the temporary continuance of the private farming use would not compromise that public use, the county or municipality may lease the land to the prior lessee for farming purposes for such period, consideration, and other terms and conditions mutually agreed upon, without the need for putting the lease out for public bid or auction.

The committee amendments made clarifying and technical corrections to the bill. As amended and reported by the committee, this bill is identical to Assembly Bill No. 1792 (1R) of 2006.

ASSEMBLY, No. 1792

STATE OF NEW JERSEY 212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Assemblywoman MARCIA A. KARROW

District 23 (Warren and Hunterdon)

SYNOPSIS

Authorizes lease of farmed land acquired by a county or municipality to farmer who was prior lessee of that land.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning the leasing of farmland owned by a county or
2 municipality and amending and supplementing P.L.1971, c.199.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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11 as set forth in the resolution or ordinance authorizing the lease,
12 other than county or municipal real property otherwise dedicated or
13 restricted pursuant to law, and except as otherwise provided by law,
14 all such leases shall be made in the manner provided by this section.

15 (a) In the case of a lease to a private person, except for a lease to
16 a private person for a public purpose as provided in subsection (j) of
17 section 15 of P.L.1971, c.199 (C.40A:12-15) or for agricultural or
18 horticultural use as provided in section 2 of P.L. , c. (C.)
19 (now before the Legislature as this bill) , said lease shall be made to
20 the highest bidder by open public bidding at auction or by
21 submission of sealed bids. Advertisement of the method of bidding
22 shall be published in a newspaper circulating in the municipality or
23 municipalities in which the leasehold is situated by two insertions at
24 least once a week during two consecutive weeks; the lease
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26 the lease. The governing body may, by resolution, fix a minimum
27 rental with the reservation of the right to reject all bids where the
28 highest bid is not accepted. Notice of such reservation shall be
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30 notice thereof shall be given of the time of the letting of the lease.
31 Such resolution may provide that upon the completion of the
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33 rejected. It shall also set out the conditions, restrictions and
34 limitations upon the tenancy subject to the lease. Acceptance or
35 rejection of the bid or bids shall be made not later than at the
36 second regular meeting of the governing body following the
37 completion of the bidding, and, if the governing body shall not so
38 accept such highest bid, or reject all bids, said bids shall be deemed
39 to have been rejected. Any such award may be adjourned at the
40 time advertised for not more than one week without readvertising.

41 (b) In the case of a lease to a public body, the lease may be upon
42 such terms and conditions and for nominal or other consideration as
43 the governing body of the county or municipality shall approve by
44 ordinance or resolution.

45 (c) In the case of a lease to a nonprofit corporation or

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Matter underlined thus is new matter.

1 association for a public purpose, the lease shall be authorized by
2 resolution, in the case of a county, or by ordinance, in the case of a
3 municipality, and may be for nominal or other consideration. Said
4 authorization shall include the nominal or other consideration for
5 the lease; the name of the corporation or corporations who shall be
6 the lessees; the public purpose served by the lessee; the number of
7 persons benefiting from the public purpose served by the lessee,
8 whether within or without the municipality in which the leasehold is
9 located; the term of the lease, and the officer, employee or agency
10 responsible for enforcement of the conditions of the lease. Said
11 ordinance or resolution shall also require any nonprofit corporation
12 holding a lease for a public purpose pursuant to this section, to
13 annually submit a report to the officer, employee or agency
14 designated by the governing body, setting out the use to which the
15 leasehold was put during each year, the activities of the lessee
16 undertaken in furtherance of the public purpose for which the
17 leasehold was granted; the approximate value or cost, if any, of
18 such activities in furtherance of such purpose; and an affirmation of
19 the continued tax-exempt status of the nonprofit corporation
20 pursuant to both State and federal law.

21 (d) In the case of a lease to a housing corporation or resident
22 first-time homebuyer for the public purposes, and pursuant to the
23 provisions of P.L.1983, c.335 (C.55:18A-1 et seq.), the lease shall
24 be authorized by ordinance by a municipality.

25 (cf: P.L.1984, c.27, s.1)

26

27 2. (New section) Whenever a county or municipality acquires
28 real property that, immediately prior to acquisition, was leased from
29 the prior owner by a private person for agricultural or horticultural
30 use, and the county or municipality determines that, until such time
31 as it will use the real property for a public purpose, the temporary
32 continuance of the private agricultural or horticultural use would
33 not compromise that public purpose, it may lease the real property
34 to the prior lessee for agricultural or horticultural use for such
35 period, consideration, and other terms and conditions as shall be
36 mutually agreed upon.

37

38 3. This act shall take effect immediately.

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STATEMENT

42

43 This bill would authorize an exception to the public bidding
44 requirements regarding leases as prescribed under the "Local Lands
45 and Buildings Law" by providing that whenever a county or
46 municipality acquires land that, immediately prior to acquisition,
47 was leased from the prior owner by a private person for farming,
48 and the county or municipality determines that, until such time as

A1792 KARROW

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1 the land is used for a public purpose, the temporary continuance of
2 the private farming use would not compromise that public purpose,
3 the county or municipality may lease the land to the prior lessee for
4 farming purposes for such period, consideration, and other terms
5 and conditions mutually agreed upon, without the need for putting
6 the lease out for public bid or auction.

ASSEMBLY AGRICULTURE AND NATURAL RESOURCES
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 1792

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 9, 2006

The Assembly Agriculture and Natural Resources Committee reports favorably and with committee amendments Assembly Bill No. 1792.

This bill, as amended, would authorize an exception to the public bidding requirements regarding leases as prescribed under the "Local Lands and Buildings Law" by providing that whenever a county or municipality acquires land that, immediately prior to acquisition, was leased from the prior owner by a private person for farming, and the county or municipality determines that, until such time as the land is needed for public use, the temporary continuance of the private farming use would not compromise that public use, the county or municipality may lease the land to the prior lessee for farming purposes for such period, consideration, and other terms and conditions mutually agreed upon, without the need for putting the lease out for public bid or auction.

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amendments made clarifying and technical corrections to the bill.